

Taxable article	Bond amount maximum	Bond amount minimum
(1) Cigarettes .....	\$250,000	\$1,000
(2) Any combination of taxable articles .....	250,000	1,000
(3) One kind of taxable article other than cigarettes .....	150,000	1,000

(b) *Bond Account.* Where the amount of a bonded manufacturer's bond is less than the maximum amount prescribed in paragraph (a) of this section, a bonded manufacturer must maintain an account reflecting all outstanding taxes with which the manufacturer's bond is chargeable. A manufacturer must debit such account with the amount of tax that was agreed to be paid under § 41.111 or is otherwise chargeable against such bond and then must credit the account for the amount paid on Form 5000.25 or other TTB-prescribed document, at the time it is filed.

(Approved by the Office of Management and Budget under control number 1512-0560)

[T.D. ATF-444, 66 FR 13851, Mar. 8, 2001. Redesignated and amended by T.D. TTB-16, 69 FR 52424, 52425, Aug. 26, 2004]

#### § 41.122 Strengthening bond.

Where the amount of any bond is no longer sufficient under the provisions of § 41.121, the bonded manufacturer shall immediately file a strengthening bond in an appropriate amount with the same surety as that on the bond already in effect, unless a superseding bond is filed pursuant to § 41.123. A strengthening bond will not be approved where any notation is made thereon which is intended, or which may be construed, as a release of any former bond, or as limiting the amount of either bond to less than its full amount.

[26 FR 8195, Aug. 31, 1961. Redesignated at 40 FR 16835, Apr. 15, 1975, and further redesignated and amended by T.D. TTB-16, 69 FR 52424, 52425, Aug. 26, 2004]

#### § 41.123 Superseding bond.

A bonded manufacturer shall immediately file a new bond to supersede his current bond when (a) the corporate surety on the current bond becomes insolvent, (b) the appropriate TTB officer approves a request from the surety on the current bond to terminate his liability under the bond, (c) the payment

of any liability under a bond is made by the surety thereon, (d) the amount of the bond is no longer sufficient under the provisions of § 41.121 and a strengthening bond has not been filed, or (e) the appropriate TTB officer considers a superseding bond necessary for the protection of the revenue.

[26 FR 8195, Aug. 31, 1961. Redesignated at 40 FR 16835, Apr. 15, 1975, and amended by T.D. ATF-251, 52 FR 19341, May 22, 1987. Redesignated and amended by T.D. TTB-16, 69 FR 52424, 52425, Aug. 26, 2004]

#### § 41.124 Extension of coverage of bond.

An extension of coverage of the bond of a bonded manufacturer shall be required (a) as provided in § 41.114a, and (b) in the case of any change in the location of the factory as set forth in the bond. Such extension of coverage of the bond shall be manifested on Form 2105 by the bonded manufacturer and by the surety on the bond with the same formality and proof of authority as required for the execution of the bond.

[T.D. ATF-5, 38 FR 19689, July 23, 1973. Redesignated at 40 FR 16835, Apr. 15, 1975, and further redesignated and amended by T.D. TTB-16, 69 FR 52424, 52425, Aug. 26, 2004]

#### § 41.125 Approval of bond and extension of coverage of bond.

The appropriate TTB officer is authorized to approve all bonds and extensions of coverage of bonds (except under § 41.136) filed under this subpart. No manufacturer of tobacco products in Puerto Rico shall defer taxes under this subpart until he receives from the appropriate TTB officer notice of approval of the bond or of an appropriate extension of coverage of the bond required under this subpart. Upon receipt of the duplicate copy of an approved bond or extension of coverage of bond from the appropriate TTB officer, such copy of the bond or extension of coverage of bond shall be retained by the bonded manufacturer and shall be made available for inspection by the